

0012

Incoming  
c/007/0022

**From:** "Cydney Garland" <CydneyGarland@SavageServices.com>  
**To:** "Pete Hess" <petehess@utah.gov>  
**CC:** "Daron Haddock" <DARONHADDOCK@utah.gov>, <blackhawk@preciscom.net>, "JoA..."  
**Date:** 10/6/2008 12:34 PM  
**Subject:** RE: FW: Fw: Savage Companies - Certificate  
**Attachments:** State of Utah Certificate.pdf

Pete,

Please find attached a copy of the certificate you requested. We had to go to the legal department of Ace to get it approved. I suspect you will be seeing more and more push back on this issue. AIG and additional bailouts created a large enough scare that everyone is tightening their policies and procedures.

Nevertheless, we should now be in compliance.

Respectfully,

Cydney Garland  
Claims Administrator  
801-944-6665  
801-424-7271 (fax)

-----Original Message-----

From: Pete Hess [mailto:petehess@utah.gov]  
Sent: Monday, October 06, 2008 11:14 AM  
To: Cydney Garland  
Cc: Daron Haddock  
Subject: Re: FW: Fw: Savage Companies - Certificate

Cydney...

I still think time is warranted in working through this issue. I will be off 4-5 weeks recovering from hip replacement surgery. After today, all the decision making will come from Salt Lake. Hopefully, this can be resolved this week. Hope my response addresses your concern.

>>> "Cydney Garland" <CydneyGarland@SavageServices.com> 10/6/2008 11:00 AM >>>

Dear Pete,

I am confused with the amount of time we have been given to resolve this issue. In your email dated October 2, 2008 you stated, "I believe time is warranted in getting this mess straightened out". We are doing the best that we can to move this along and now two business days later, a citation is being drafted? We are sure a resolution can be found but we need adequate time to work through it. We request that you give us that time.

Respectfully

Cydney Garland  
Claims Administrator  
801-944-6665  
801-424-7271 (fax)

-----Original Message-----

From: Blackhawk Engineering, Inc. [mailto:blackhawk@emerytelcom.net]  
Sent: Monday, October 06, 2008 10:52 AM  
To: Cydney Garland  
Subject: FW: Fw: Savage Companies - Certificate

-----Original Message-----

From: Pete Hess [mailto:petehess@utah.gov]  
Sent: Monday, October 06, 2008 10:26 AM  
To: Inc. Blackhawk Engineering  
Cc: boydrhodes@emerytelcom.net; Angela Nance; Daron Haddock  
Subject: Re: Fw: Savage Companies - Certificate

Dan....

I'm sorry, but the new forms do not meet the requirements of the coal rules, specifically R645-301-890.300. Marsh MUST modify the cancellation clause and commit to notifying the Division whenever there is a significant change to the policy which includes termination or failure to renew. This is a State rule which must be met. I would suggest that Savage Industries start searching for a new provider. Or, Marsh can provide another rider which meets the requirements of 890.300.

In speaking with Daron Haddock this morning, our insurance lady, Mrs. Angela Nance, will be contacting the Marsh agency as well as Cydney Garland @ Savage Industries to attempt to work through this.

FYI, I am DRAFTING a notice of violation to Savage for Marsh's failure to meet all the insurance requirements of R645-301-890, and I will forward same to Salt Lake. Since I will be gone, I will not be able to issue the violation, should that need arise.

This just frustrates me to no end, but it appears we are caught in the middle between a big insurance provider and our government. Neither the Division nor I have any "wobble room" authority here. It is what it is.

# ACORD™ CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
10/06/2008

## PRODUCER

Marsh USA Risk & Insurance Services  
15 West South Temple, Suite 700  
Salt Lake City, UT 84101  
Attn: Chris Brimhall (801) 533-3627

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW.

## INSURERS AFFORDING COVERAGE

## NAIC #

## INSURED

SAVAGE COMPANIES  
6340 SOUTH 3000 EAST, SUITE 600  
SALT LAKE CITY, UT 84121

INSURER A: ACE American Insurance Company

22667

INSURER B: ACE Fire Underwriters Co

20702

INSURER C:

INSURER D:

INSURER E:

## COVERAGES

THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. AGGREGATE LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	ADD'L INSRD	TYPE OF INSURANCE	POLICY NUMBER	POLICY EFFECTIVE DATE (MM/DD/YY)	POLICY EXPIRATION DATE (MM/DD/YY)	LIMITS
A		<b>GENERAL LIABILITY</b> <input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY <input type="checkbox"/> CLAIMS MADE <input checked="" type="checkbox"/> OCCUR <input checked="" type="checkbox"/> SIR \$500,000 GENERAL AGGREGATE LIMIT APPLIES PER <input type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC	XSLG21703072	04/01/08	04/01/09	EACH OCCURRENCE \$ 4,500,000 DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 4,500,000 MED EXP (Any one person) \$ PERSONAL & ADV INJURY \$ 4,500,000 GENERAL AGGREGATE \$ 9,500,000 PRODUCTS - COM/OP AGG \$ 4,500,000
A		<b>AUTOMOBILE LIABILITY</b> <input checked="" type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input checked="" type="checkbox"/> HIRED AUTOS <input checked="" type="checkbox"/> NON-OWNED AUTOS	ISAH08013354	04/01/08	04/01/09	COMBINED SINGLE LIMIT (Ea accident) \$ 5,000,000 BODILY INJURY (Per person) \$ BODILY INJURY (Per accident) \$ PROPERTY DAMAGE (Per accident) \$
		<b>GARAGE LIABILITY</b> <input type="checkbox"/> ANY AUTO				AUTO ONLY - EA ACCIDENT \$ OTHER THAN EA ACC \$ AUTO ONLY: AGG \$
		<b>EXCESS/UMBRELLA LIABILITY</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> CLAIMS MADE <input type="checkbox"/> DEDUCTIBLE <input type="checkbox"/> RETENTION \$				EACH OCCURRENCE \$ AGGREGATE \$ \$ \$ \$
B		<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? If yes, describe under SPECIAL PROVISIONS below	WLCR44467161 (AOS) WLCR44467173 (CA)	04/01/08 04/01/08	04/01/09 04/01/09	<input checked="" type="checkbox"/> WC STATU-TORY LIMITS <input type="checkbox"/> OTH-ER E.L. EACH ACCIDENT \$ 1,000,000 E.L. DISEASE - EA EMPLOYEE \$ 1,000,000 E.L. DISEASE - POLICY LIMIT \$ 1,000,000
A		OTHER				

## DESCRIPTION OF OPERATIONS/LOCATIONS/VEHICLES/EXCLUSIONS ADDED BY ENDORSEMENT/SPECIAL PROVISIONS

SUBJECT TO THE STANDARD EXCLUSIONS IN THE 2000 GENERAL LIABILITY ISO FORM, CG 00 01 10 01. COVERAGE FOR DAMAGE CAUSED BY EXPLOSIVES IS NOT SPECIFICALLY EXCLUDED ON THE GENERAL LIABILITY POLICY. RE: SAVAGE COAL TERMINAL PROCESS AND LOADOUT FACILITY ACT/007/022.

## CERTIFICATE HOLDER

SEA-001100711-21

## CANCELLATION

STATE OF UTAH  
DEPARTMENT OF NATURAL RESOURCES  
DIVISION OF OIL, GAS & MINING  
PO BOX 145801  
SALT LAKE CITY, UT 84114-5801

SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, THE ISSUING INSURER WILL ~~EXPEDIENTLY~~ MAIL 30 DAYS WRITTEN NOTICE TO THE CERTIFICATE HOLDER NAMED TO THE LEFT, ~~BY REGISTERED MAIL TO THE ADDRESS OF THE CERTIFICATE HOLDER OR BY FIRST CLASS MAIL TO THE ADDRESS OF THE CERTIFICATE HOLDER.~~

AUTHORIZED REPRESENTATIVE  
of Marsh USA Risk & Insurance Services  
Chris Brimhall

*Chris Brimhall*

### **IMPORTANT**

If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

### **DISCLAIMER**

The Certificate of Insurance on the reverse side of this form does not constitute a contract between the issuing insurer(s), authorized representative or producer, and the certificate holder, nor does it affirmatively or negatively amend, extend or alter the coverage afforded by the policies listed thereon.